

(d) USE OF ASSISTANCE.—An eligible entity to which assistance is provided under subsection (b) may use the assistance—

(1) for any purpose for which the eligible entity is eligible for assistance under the relevant provision of law referred to in subsection (a)(1); or

(2) for any direct operational expenses incurred by the eligible entity, as determined by the Secretary.

(e) APPROPRIATION.—

(1) IN GENERAL.—Out of any amounts in the Treasury not otherwise appropriated, there is appropriated to the Secretary \$1,000,000,000 to carry out this section.

(2) RESERVATION FOR ADMINISTRATIVE EXPENSES.—The Secretary shall reserve 3 percent of the amount appropriated by paragraph (1) for administrative expenses incurred by the Secretary in carrying out this section.

(3) AVAILABILITY.—The amount appropriated by paragraph (1) shall remain available through December 31, 2022.

SA 1464. Mrs. SHAHEEN submitted an amendment intended to be proposed by her to the bill S. 914, to amend the Safe Drinking Water Act and the Federal Water Pollution Control Act to reauthorize programs under those Acts, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____ . TREATMENT OF CERTAIN CONTRIBUTIONS BY GOVERNMENT ENTITIES AS CONTRIBUTIONS TO CAPITAL.

(a) IN GENERAL.—Section 118 of the Internal Revenue Code of 1986 is amended—

(1) by redesignating subsection (d) as subsection (e), and

(2) by striking subsections (b) and (c) and inserting the following:

“(b) CONTRIBUTIONS IN AID OF CONSTRUCTION, ETC.—For purposes of subsection (a), except as provided in subsection (c), the term ‘contribution to the capital of the taxpayer’ does not include any contribution in aid of construction or any other contribution as a customer or potential customer.

“(c) SPECIAL RULES FOR WATER AND SEWERAGE DISPOSAL UTILITIES.—

“(1) GENERAL RULE.—For purposes of this section, the term ‘contribution to the capital of the taxpayer’ includes any amount of money or other property received from any person (whether or not a shareholder) by a regulated public utility which provides water or sewerage disposal services if—

“(A) such amount is a contribution in aid of construction,

“(B) in the case of contribution of property other than water or sewerage disposal facilities, such amount meets the requirements of the expenditure rule of paragraph (2), and

“(C) such amount (or any property acquired or constructed with such amount) is not included in the taxpayer’s rate base for ratemaking purposes.

“(2) EXPENDITURE RULE.—An amount meets the requirements of this paragraph if—

“(A) an amount equal to such amount is expended for the acquisition or construction of tangible property described in section 1231(b)—

“(i) which is the property for which the contribution was made or is of the same type as such property, and

“(ii) which is used predominantly in the trade or business of furnishing water or sewerage disposal services,

“(B) the expenditure referred to in subparagraph (A) occurs before the end of the second taxable year after the year in which such amount was received, and

“(C) accurate records are kept of the amounts contributed and expenditures made,

the expenditures to which contributions are allocated, and the year in which the contributions and expenditures are received and made.

“(3) DEFINITIONS.—For purposes of this subsection—

“(A) CONTRIBUTION IN AID OF CONSTRUCTION.—The term ‘contribution in aid of construction’ shall be defined by regulations prescribed by the Secretary, except that such term shall not include amounts paid as service charges for starting or stopping services.

“(B) PREDOMINANTLY.—The term ‘predominantly’ means 80 percent or more.

“(C) REGULATED PUBLIC UTILITY.—The term ‘regulated public utility’ has the meaning given such term by section 7701(a)(33), except that such term shall not include any utility which is not required to provide water or sewerage disposal services to members of the general public in its service area.

“(4) DISALLOWANCE OF DEDUCTIONS AND CREDITS; ADJUSTED BASIS.—Notwithstanding any other provision of this subtitle, no deduction or credit shall be allowed for, or by reason of, any expenditure which constitutes a contribution in aid of construction to which this subsection applies. The adjusted basis of any property acquired with contributions in aid of construction to which this subsection applies shall be zero.

“(d) STATUTE OF LIMITATIONS.—If the taxpayer for any taxable year treats an amount as a contribution to the capital of the taxpayer described in subsection (c), then—

“(1) the statutory period for the assessment of any deficiency attributable to any part of such amount shall not expire before the expiration of 3 years from the date the Secretary is notified by the taxpayer (in such manner as the Secretary may prescribe) of—

“(A) the amount of the expenditure referred to in subparagraph (A) of subsection (c)(2),

“(B) the taxpayer’s intention not to make the expenditures referred to in such subparagraph, or

“(C) a failure to make such expenditure within the period described in subparagraph (B) of subsection (c)(2), and

“(2) such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment.”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after December 22, 2017.

SA 1465. Mr. PADILLA submitted an amendment intended to be proposed by him to the bill S. 914, to amend the Safe Drinking Water Act and the Federal Water Pollution Control Act to reauthorize programs under those Acts, and for other purposes; which was ordered to lie on the table; as follows:

In section 203(4), strike subparagraph (B) and insert the following:

(B) in paragraph (1), in the first sentence, by striking “water or wastewater or by treating wastewater” and inserting “water, wastewater, or stormwater or by treating wastewater or stormwater for groundwater recharge, potable reuse, or other purposes”;

SA 1466. Ms. STABENOW (for herself, Mr. PADILLA, and Mr. PETERS) submitted an amendment intended to be proposed to amendment SA 1460 proposed by Mr. CARPER (for himself and Mrs. CAPITO) to the bill S. 914, to amend the Safe Drinking Water Act and the Federal Water Pollution Con-

trol Act to reauthorize programs under those Acts, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 105 and insert the following:

SEC. 105. COMPREHENSIVE LEAD SERVICE LINE REPLACEMENT.

Section 1459B of the Safe Drinking Water Act (42 U.S.C. 300j-19b) is amended—

(1) in subsection (a)(1)(D), by striking “, servicing a public water system”;

(2) in subsection (d), by striking “\$60,000,000 for each of fiscal years 2017 through 2021” and inserting “\$4,500,000,000 for each of fiscal years 2022 through 2026”;

(3) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(4) by inserting after subsection (c) the following:

“(d) COMPREHENSIVE LEAD REDUCTION PROJECTS.—

“(1) GRANTS.—The Administrator shall award grants to eligible entities for comprehensive lead reduction projects that, notwithstanding any other provision of this section, pay to fully replace lead service lines served by the eligible entity—

“(A) regardless of—

“(i) the ownership of the lead service line; and

“(ii) whether the lead service line is publicly owned or privately owned; and

“(B) without requiring a contribution to the cost of replacement of any portion of the lead service line by any individual homeowner.

“(2) PRIORITY.—In awarding grants under paragraph (1), the Administrator shall give priority to eligible entities that serve disadvantaged communities (as determined under subsection (b)(3)(A)).

“(3) NO COST-SHARE.—The Administrator shall not impose any cost-sharing requirements on an eligible entity receiving a grant under paragraph (1).”

SA 1467. Mrs. FEINSTEIN (for herself, Mr. PADILLA, and Mr. KELLY) submitted an amendment intended to be proposed by her to the bill S. 914, to amend the Safe Drinking Water Act and the Federal Water Pollution Control Act to reauthorize programs under those Acts, and for other purposes; which was ordered to lie on the table; as follows:

On page 150, strike lines 15 through 18 and insert the following:

(2) in subsection (d)—

(A) in paragraph (1), by inserting “construction” before “funds”;

(B) by striking paragraph (2); and

(C) by redesignating paragraph (3) as paragraph (2);

SA 1468. Mr. KENNEDY submitted an amendment intended to be proposed to amendment SA 1460 proposed by Mr. CARPER (for himself and Mrs. CAPITO) to the bill S. 914, to amend the Safe Drinking Water Act and the Federal Water Pollution Control Act to reauthorize programs under those Acts, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____ . DEPLETION RATES OF FRESHWATER AQUIFERS.

Not later than 18 months after the date of enactment of this Act, the Administrator shall conduct, and submit to Congress a report describing the results of, a study analyzing—